

Message Text

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ACTION TRSE-00

INFO OCT-01 EA-10 NEA-10 ISO-00 IO-13 SP-02 ICA-11
AID-05 EB-08 NSC-05 SS-15 STR-07 OMB-01 CEA-01
COM-02 CIAE-00 FRB-03 INR-10 NSAE-00 XMB-02
OPIC-03 LAB-04 SIL-01 L-03 H-01 OES-07 PA-01
/126 W

-----030408 070040Z /62

R 061000Z JUL 78
FM AMEMBASSY COLOMBO
TO SECSTATE WASHDC 779
INFO AMEMBASSY BANGKOK
AMEMBASSY CANBERRA
AMEMBASSY DACCA
AMEMBASSY ISLAMABAD
AMEMBASSY JAKARTA
AMEMBASSY KABUL
AMEMBASSY KATHMANDU
AMEMBASSY KUALA LUMPUR
AMEMBASSY MANILA
AMEMBASSY NEW DELHI
AMEMBASSY PORT MORESBY
AMEMBASSY RANGOON
AMEMBASSY SEOUL
AMEMBASSY SINGAPORE
AMEMBASSY SUVA
AMEMBASSY TAIPEI
AMEMBASSY TOKYO
AMEMBASSY VIENTIANE
AMEMBASSY WELLINGTON
AMCONSUL HONG KONG

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E.O. 11652: N/A
TAGS: EGEN, ETRD, BEXP, ADB, CE
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SUBJ: U.S. PROCUREMENT FROM ASIAN DEVELOPMENT BANK (ADB)

REF: STATE 155300

1. EMBASSY IS UNAWARE OF ANY RECENT DIRECT PARTICIPATION BY
U.S. FIRMS IN ADB FINANCED PROJECTS IN SRI LANKA. UREA PLANT

PARTIALLY ADB FINANCED BEING BUILT BY UK SUBSIDIARY OF PULLMAN KELLOGG. RELATIVELY SMALL SCALE ADB PROJECTS HERE AND FACT THAT FEW U.S. FIRMS REPRESENTED LOCALLY HAVE COMBINED TO PLACE US FIRMS AT SERIOUS COMPETITIVE DISADVANTAGE. EMBASSY'S BEST EFFORTS TO OBTAIN ADVANCE INFORMATION ON POSSIBLE ADB AND OTHER IFI FINANCED PROJECTS HAVE NOT BEEN VERY FRUITFUL. DUE PUBLIC CRITICISM OF PAST GOVERNMENT OF SRI LANKA (GSL) TENDER PROCEDURES, LOCAL DEVELOPMENT AGENCIES OFTEN RELUCTANT TO PROVIDE INFORMATION ON POTENTIAL PROJECTS UNTIL FINANCING NEGOTIATIONS COMPLETED AND TENDERS ISSUED. EMBASSY CABLES TENDER DETAILS TO WASHINGTON AND SINGAPORE, BUT AS OTHER POSTS HAVE POINTED OUT, IT IS OFTEN TOO LATE FOR A US FIRM TO COMPETE EFFECTIVELY AFTER TENDER ISSUED. THIS TRUE IN MOST CASES, BUT ESPECIALLY IN THOSE INVOLVING SMALL PROJECTS AND SMALL FIRMS. EXPENSE OF A VISIT BY A US REPRESENTATIVE AT LATE STAGE OF PROJECT DEVELOPMENT, WHEN CHANCE FOR MEETING THE LOCAL COMPETITION IS LESS THAN WOULD BE AT EARLIER STAGE, IS HARD TO JUSTIFY. FOR SIMILAR REASONS, A LARGE FIRM WOULD PROBABLY NOT CONSIDER THE SMALL PROJECTS WORTH THE EFFORT, ESPECIALLY IF ENTERING LATE.

2. AMBITIOUS GSL DEVELOPMENT PLANS FOR MAHAWELI IRRIGATION/HYDROPOWER PROJECT INVOLVING A NUMBER OF LARGE IFI-FINANCED PROGRAMS WILL ATTRACT MORE ATTENTION AND INTEREST ON PART OF US CONTRACTORS, POSSIBLY LEADING TO RESIDENT OR REGIONAL REPRESENTATION BEING ESTABLISHED. THIS WOULD LIKELY HAVE LIMITED OFFICIAL USE

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FAVORABLE EFFECT ON RATE OF US PROCUREMENT OF ADB PROJECTS AS WELL AS THOSE FINANCED THROUGH OTHER INSTITUTIONS.

3. EMBASSY SUPPORTS PLANS FOR STUDY OF COMPLETED PROJECTS WITH AIM TO DETERMINE HOW BETTER US PROCUREMENT RATE CAN BE ATTAINED. WE LOOK FORWARD TO LEARNING FROM THIS AND OTHER POSTS' EXPERIENCES REGARDING US PARTICIPATION IN IFI-FINANCED PROJECTS HOW OPPORTUNITIES FOR US FIRMS TO PARTICIPATE IN SUCH PROJECTS CAN BE ENHANCED.

4. EARLIER DISTRIBUTION OF INFORMATION REGARDING ADB PROJECTS TO EMBASSY AND TO US FIRMS WOULD HELP PER PARAS 1 AND 2 ABOVE. INTERESTED FIRMS WITH REPRESENTATIVES ON SCENE AND EMBASSY CONTACTS WITH OFFICES AND CORPORATIONS CONCERNED AT AN EARLY STAGE (I.E., PRE-TENDER, PRE-SPECS) WOULD SUBSTANTIALLY INCREASE POSSIBILITY OF FIRMS INFLUENCING SPECS AND PLACING TIMELY BIDS.
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Message Attributes

Automatic Decaptioning: X
Capture Date: 01 jan 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: PROCUREMENT, DEVELOPMENT BANKS
Control Number: n/a
Copy: SINGLE
Draft Date: 06 jul 1978
Decaption Date: 01 jan 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 20 Mar 2014
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1978COLOMB03082
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Expiration:
Film Number: D780278-0410
Format: TEL
From: COLOMBO
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1978/newtext/t19780792/aaaaczjw.tel
Line Count: 112
Litigation Code IDs:
Litigation Codes:
Litigation History:
Locator: TEXT ON-LINE, ON MICROFILM
Message ID: 557b827a-c288-dd11-92da-001cc4696bcc
Office: ACTION TRSE
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 3
Previous Channel Indicators: n/a
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: 78 STATE 155300
Retention: 0
Review Action: RELEASED, APPROVED
Review Content Flags:
Review Date: 05 may 2005
Review Event:
Review Exemptions: n/a
Review Media Identifier:
Review Release Date: N/A
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 2108152
Secure: OPEN
Status: NATIVE
Subject: U.S. PROCUREMENT FROM ASIAN DEVELOPMENT BANK (ADB)
TAGS: EGEN, ETRD, BEXP, CE, US, ADB
To: STATE
Type: TE
vdkgvwkey: odb://SAS/SAS.dbo.SAS_Docs/557b827a-c288-dd11-92da-001cc4696bcc
Review Markings:
Sheryl P. Walter
Declassified/Released
US Department of State
EO Systematic Review
20 Mar 2014
Markings: Sheryl P. Walter Declassified/Released US Department of State EO Systematic Review 20 Mar 2014